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**ANNUAL AUDITED REPORT
FORM X-17A-5/A
PART III**

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FACING PAGE

**Information Required of Brokers and Dealers Pursuant to Section 17 of the
Securities Exchange Act of 1934 and Rule 17a-5 Thereunder**

MAY 07 2018
Washington, DC

REPORT FOR THE PERIOD BEGINNING 01/01/2017 AND ENDING 12/31/2017
MM/DD/YY MM/DD/YY

A. REGISTRANT IDENTIFICATION

NAME OF BROKER-DEALER: **Willow Cove Investment Group, Inc.**

OFFICIAL USE ONLY

ADDRESS OF PRINCIPAL PLACE OF BUSINESS: (Do not use P.O. Box No.)

FIRM I.D. NO.

7561 County Road M

(No. and Street)

Winneconne

WI

54986

(City)

(State)

(Zip Code)

NAME AND TELEPHONE NUMBER OF PERSON TO CONTACT IN REGARD TO THIS REPORT

Michael Losse

858-404-0677

(Area Code – Telephone Number)

B. ACCOUNTANT IDENTIFICATION

INDEPENDENT PUBLIC ACCOUNTANT whose opinion is contained in this Report*

ANTON & CHIA, LLP

(Name – if individual, state last, first, middle name)

3501 Jamboree Road, Suite 540 Newport Beach

CA

92660

(Address)

(City)

(State)

(Zip Code)

CHECK ONE:



Certified Public Accountant



Public Accountant



Accountant not resident in United States or any of its possessions.

FOR OFFICIAL USE ONLY

*Claims for exemption from the requirement that the annual report be covered by the opinion of an independent public accountant must be supported by a statement of facts and circumstances relied on as the basis for the exemption. See Section 240.17a-5(e)(2)

SEC 1410 (06-02)

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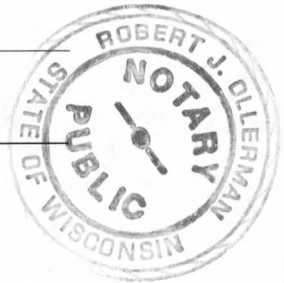
OATH OR AFFIRMATION

I, Michael Losse, swear (or affirm) that, to the best of my knowledge and belief the accompanying financial statement and supporting schedules pertaining to the firm of Willow Cove Investment Group, Inc., as of December 31, 2017, are true and correct. I further swear (or affirm) that neither the company nor any partner, proprietor, principal officer or director has any proprietary interest in any account classified solely as that of a customer, except as follows:

Michael Losse
Signature

President

Title



Robert J. Ollerman
Notary Public

State of Wisconsin
County of Winnebago

My commission
expires 3-22-19

This report ** contains (check all applicable boxes):

- ☒ (a) Facing Page.
- ☒ (b) Statement of Financial Condition.
- ☒ (c) Statement of Income (Loss).
- ☒ (d) Statement of Changes in Financial Condition.
- ☒ (e) Statement of Changes in Stockholders' Equity or Partners' or Sole Proprietors' Capital.
- ☒ (f) Statement of Changes in Liabilities Subordinated to Claims of Creditors.
- ☒ (g) Computation of Net Capital.
- ☐ (h) Computation for Determination of Reserve Requirements Pursuant to Rule 15c3-3.
- ☐ (i) Information Relating to the Possession or Control Requirements Under Rule 15c3-3.
- ☐ (j) A Reconciliation, including appropriate explanation of the Computation of Net Capital Under Rule 15c3-1 and the Computation for Determination of the Reserve Requirements Under Exhibit A of Rule 15c3-3.
- ☐ (k) A Reconciliation between the audited and unaudited Statements of Financial Condition with respect to methods of consolidation.
- ☒ (l) An Oath or Affirmation.
- ☒ (m) A copy of the SIPC Supplemental Report.
- ☒ (n) A report describing any material inadequacies found to exist or found to have existed since the date of the previous audit.

**For conditions of confidential treatment of certain portions of this filing, see section 240.17a-5(e)(3).

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CERTIFIED PUBLIC ACCOUNTANTS

REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the Board of Directors and Stockholder of Willow Cove Investment Group, Inc.

Opinion on the Financial Statements

We have audited the accompanying financial statements of Willow Cove Investment Group, Inc. (the "Company"), which comprise of the statement of financial condition as of December 31, 2017, and the related statements of income, changes in member's equity, and cash flows for the year then ended and the related notes and supplemental information (collectively referred to as the "financial statements"). In our opinion, the financial statements referred to above present fairly, in all material respects, the financial condition of the Company as of December 31, 2017, and the results of its operations and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on the Company's financial statements based on our audit. We conducted our audit in accordance with the standards of the Public Company Accounting Oversight Board (United States) ("PCAOB") and are required to be independent with respect to the Company in accordance with the U.S. federal securities laws and the applicable rules and regulations of Securities and Exchange Commission and the PCAOB.

We conducted our audit of these financial statements in accordance with the standards of the PCAOB and auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement, whether due to error or fraud.

Our audit included performing procedures to assess the risks of material misstatement of the financial statements, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures including examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements. Our audit also included evaluating the accounting principles used and significant estimates made by management, as well as, evaluating the overall presentation of the financial statements. We believe that our audit provides a reasonable basis for our opinion.

Supplemental Information

The computation of Net Capital Pursuant to Rule 15c3-1 is supplemental information and is the responsibility of the Company's management. Our audit procedures included determining whether the supplemental information reconciles to the financial statements or the underlying accounting and other records, as applicable, and performing procedures to test the completeness and accuracy of the information presented in the supplemental information. In forming our opinion on the supplemental information, we evaluated whether the supplemental information, including its form and content, is presented in conformity with Rule 17a-5 of the Securities Exchange Act of 1934. In our opinion, the supplemental information is fairly stated, in all material respects, in relation to the financial statements as a whole.

Anton & Chia, LLP

Newport Beach, CA
February 28, 2018

We have served as the Company's auditor since 2016.

WILLOW COVE INVESTMENT GROUP, INC.
(A wholly owned subsidiary of LM Squared Investments, LLC)
Statement of Financial Condition
December 31, 2017

ASSETS

Current assets:	
Cash	\$ 2,714
Receivable from clearing organization & mutual funds	11,473
Deposit with clearing organization	15,000
Employee Advance	500
Prepaid expenses and other assets	58
Total current assets	<u>29,745</u>
Property and equipment, net (Note 2)	<u>547</u>
Total assets	<u><u>\$ 30,292</u></u>

LIABILITIES AND STOCKHOLDERS' EQUITY

Current liabilities:	
Accounts payable and accrued expenses	\$ 8,830
Noncurrent liabilities	
Accounts payable and accrued expenses	<u>-</u>
Common stock, no par value; 25,000 shares authorized; 1,000 shares issued and outstanding	100
Additional paid-in capital	468,362
Accumulated deficit	(447,000)
Total stockholders' equity	<u>21,462</u>
Total liabilities and stockholders' equity	<u><u>\$ 30,292</u></u>

WILLOW COVE INVESTMENT GROUP, INC.
(A wholly owned subsidiary of LM Squared Investments, LLC)
Statement of Operations
For the year ended December 31, 2017

Revenues:	
Commissions	\$ 43,134
Consulting income	8,600
Interest income	176
Net realized gain (loss) on securities	-
Net unrealized gain (loss) on securities	-
	<hr/>
Total revenues	51,910
Operating expenses:	
Commissions	12,237
Clearing charges	13,018
Professional fees	4,580
Regulatory	2,313
Compensation and related	1,031
Communications	3,348
Rent	5,100
Office expense	1,396
Other	9,209
	<hr/>
Total operating expenses	52,232
	<hr/>
Total operating income	(322)
Other expense	
Goodwill impairment	
	<hr/>
Income before provision for income taxes	(322)
Provision for income taxes (Note 2)	-
	<hr/>
Net loss	\$ (322)
	<hr/>

WILLOW COVE INVESTMENT GROUP, INC.
(A wholly owned subsidiary of LM Squared Investments, LLC)
Statement of Stockholders' Equity
For the year ended December 31, 2017

	<u>Common stock</u>				
	<u>Shares outstanding</u>	<u>Amount</u>	<u>Additional paid-in capital</u>	<u>Accumulated deficit</u>	<u>Total</u>
Balance, December 31, 2016	1,000	\$ 100	\$ 458,362	\$ (446,691)	\$ 11,771
Capital contributions	-	-	12,600	-	12,600
Distributions to Parent	-	-	(2,600)	-	(2,600)
Net Gain	<u>-</u>	<u>-</u>	<u>-</u>	<u>(309)</u>	<u>(309)</u>
Balance, December 31, 2017	<u>1,000</u>	<u>\$ 100</u>	<u>\$ 468,362</u>	<u>\$ 447,000</u>	<u>\$ 21,462</u>

WILLOW COVE INVESTMENT GROUP, INC.
(A wholly owned subsidiary of LM Squared Investments, LLC)
Statement of Cash Flows
For the year ended December 31, 2017

Cash flows from operating activities	
Net Gain	\$ (309)
Adjustments to reconcile net loss to net cash used by operating activities:	
Realized (gain) loss on marketable securities, net	-
Unrealized (gain) loss on marketable securities, net	-
Employee Advance	500
Decrease (increase) in assets	
Deposit with clearing organization	(500)
Receivable from clearing organization & mutual funds	4,912
Prepaid expenses and other assets	73
Deposits	(1,200)
(Decrease) increase in liabilities	
Accounts payable and accrued expenses	<u>6,184</u>
Net cash flows used by operating activities	<u>9,582</u>
Cash flows from financing activities	
Capital contributions	<u>(10,000)</u>
Net cash flows provided by financing activities	<u>(10,000)</u>
Net increase (decrease) in cash	(418)
Cash at beginning of year	<u>2,798</u>
Cash at end of year	<u><u>\$ 2,380</u></u>

WILLOW COVE INVESTMENT GROUP, INC.
(A Wholly owned subsidiary of LM Squared Investments, LLC)
Notes to Financial Statements
December 31, 2017

1. ORGANIZATION

Willow Cove Investment Group, Inc. (the "Company") is a registered broker dealer licensed by the Securities and Exchange Commission ("SEC") and is a member of the Financial Industry Regulatory Authority and the Securities Investor Protection Corporation. The Company is engaged in the following business activities: (1) retailing corporate equity securities over-the-counter, (2) retailing corporate debt securities, (3) underwriter or seller group participant (corporate securities other than mutual funds) on best effort basis only, (4) mutual fund retailer via subscription applications, (5) private placement of securities, (6) merger and acquisition services, (7) advisory services for memorandum and document development, (8) syndication advisory services and (9) corporate finance due diligence. All securities transactions for the accounts of its customers are cleared through another broker-dealer on a fully disclosed basis.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles in the United States requires management to make estimates that affect the reported amounts of assets and liabilities and disclosures of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results may differ from those estimates.

Cash and Cash Equivalents

The Company considers cash equivalents to be all highly liquid debt instruments purchased with an original maturity date of three (3) months or less.

Revenue Recognition

Security transactions and the related commission revenue are recorded on a tradedate basis.

Property and Equipment

Property and equipment are stated at cost. Depreciation and amortization are generally provided using the straight-line method over the estimated useful lives of the assets which ranges between 3 to 7 years.

WILLOW COVE INVESTMENT GROUP, INC.
(A Wholly owned subsidiary of LM Squared Investments, LLC)
Notes to Financial Statements
December 31, 2017

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Fair Value Measurements

Fair value is defined as an exit price, representing the amount that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants. As such, fair value is a market-based measurement that should be determined based on assumptions that market participants would use in pricing an asset or liability. As a basis for considering such assumptions, the authoritative guidance establishes a three-tier value hierarchy, which prioritizes the inputs used in measuring fair value as follows: (Level 1) observable inputs such as quoted prices in active markets; (Level 2) inputs other than the quoted prices in active markets that are observable either directly or indirectly; and (Level 3) unobservable inputs in which there is little or no market data, which require us to develop our own assumptions. This hierarchy requires companies to use observable market data, when available, and to minimize the use of unobservable inputs when determining fair value. On a recurring basis, the Company measures certain financial assets and liabilities at fair value, including our marketable securities.

The Company's cash equivalents and marketable securities instruments are classified within Level 1 and Level 2 of the fair value hierarchy because they are valued using quoted market prices, broker-dealer quotations, or alternative pricing sources with reasonable levels of price transparency. The types of instruments valued based on quoted market prices in active markets include most U.S. government and agency securities, and money market securities. Such instruments are generally classified within Level 1 of the fair value hierarchy. The types of instruments valued based on other observable inputs include investment-grade corporate bonds, mortgage-backed and asset-backed products, commercial paper, and state, municipal and provincial obligations. Such instruments are generally classified within Level 2 of the fair value hierarchy.

Income Taxes.

The Company uses the liability method of accounting for income taxes whereby deferred tax asset and liability account balances are calculated at the balance sheet date using the current tax laws and rates in effect.

WILLOW COVE INVESTMENT GROUP, INC.
(A Wholly owned subsidiary of LM Squared Investments, LLC)
Notes to Financial Statements
December 31, 2017

3. PROPERTY AND EQUIPMENT

Property and equipment consisted of the following as of December 31, 2017:

Furniture and equipment	<u>\$9,845</u>
Total Property and Equipment	<u>\$9,845</u>
Less Accumulated Depreciation	<u>(9,298)</u>
Net Book Value	<u>\$ 547</u>

4. SECURITIES OWNED

Securities owned are bought and held principally for the purpose of selling them in the near term and, are classified as trading securities. Trading securities are carried at fair value based on quoted market prices, with the change in fair value during the period included in earnings. December 31, 2017 consisted of no marketable equity securities.

5. COMMITMENTS AND RISKS

Operating Leases

The Company leased office space under an annual operation lease for a monthly rent of \$150.00, which expires in November 30, 2019 with an option to renew.

Risks

The Company operates in a highly regulated environment. The Company is subject to rules and regulations of federal and state regulatory agencies. Such rules and regulations are subject to change at any time, which may provide additional regulatory and administrative costs to the Company.

WILLOW COVE INVESTMENT GROUP, INC.
(A Wholly owned subsidiary of LM Squared Investments, LLC)
Notes to Financial Statements
December 31, 2017

Settlement of Securities Transactions

As discussed in Note 1, the Company does not hold customer segregated cash or securities balances. Transactions are processed by a clearing firm on a fully disclosed basis. In conjunction with this arrangement, the Company is contingently liable for any unsecured debit balances in the customer accounts introduced by the Company. These customer activities may expose the Company to off-balance-sheet credit risk in the event the introduced customer is unable to fulfill its contracted obligations. The Company seeks to control such credit risk by monitoring its exposure to the risk of loss daily, on an account-by-account basis. At December 31, 2017, the Company was not responsible for any unsecured debits and did not have any open positions in its trading accounts.

6. NET CAPITAL REQUIREMENTS

The Company is subject to the Securities and Exchange Commission Uniform Net Capital Rule (Rule 15c3-1) which requires the maintenance of minimum net capital and requires that the ratio of aggregate indebtedness to net capital, both as defined, shall not exceed 15 to 1 (and the rule of the "applicable" exchange also provides that equity capital may not be withdrawn or cash dividends paid if the resulting net capital ratio would exceed 10 to 1). At December 31, 2017, the Company had a net capital of \$20,357 that was \$15,357 in excess of the net capital of \$5,000. The Company's percentage of aggregate indebtedness to net capital at December 31, 2017 was 2.41 to 1.

7. SUBSEQUENT EVENTS

Management has evaluated subsequent events through February 27, 2018, the date on which the financial statements were issued.

SUPPLEMENTAL INFORMATION

WILLOW COVE INVESTMENT GROUP, INC.
(A wholly owned subsidiary of LM Squared Investments, LLC)
Schedule I
Computation of Net Capital Under Rule 15c3-1
of the Securities and Exchange Commission
For the year ended December 31, 2017

Net Capital:	
Total stockholder's equity from statement of financial condition	<u>\$ 21,462</u>
Deductions:	
Non-allowable assets:	
Employee Advance	\$ 500
Prepaid expenses	58
Property and equipment, net (Note 2)	<u>547</u>
	1,105
Tentative net capital	20,357
Haircuts on securities	
Options and securities	\$ -
Undue concentration	<u>-</u>
	-
Net capital	<u>\$ 20,357</u>
Total aggregate indebtedness	<u>\$ 8,830</u>
Minimum net capital required	<u>\$ 5,000</u>
Net capital surplus	<u>\$ 15,357</u>
Ratio of aggregate indebtedness to net capital	<u>1.56 to 1</u>
Reconciliation with Company's computation:	
Net capital as reported in Company's Part II-A	
(unaudited) FOCUS report	\$ 20,357
Goodwill impairment of \$58,976	-
Adjustment for prepaid rent \$1,400	-
Adjustment to accruals for prepaid rents and related	<u>-</u>
Net capital per above	<u>\$ 20,357</u>

WILLOW COVE INVESTMENT GROUP, INC.
(A wholly owned subsidiary of LM Squared Investments, LLC)
Schedule II
Computation for Determination of Reserve Requirements
Under Rule 15c3-3 of the Securities and Exchange Commission
as of December 31, 2017

The Company is claiming an exception from Rule 15c3-3 under provision 15c3-3(k)(2)(ii).

WILLOW COVE INVESTMENT GROUP, INC.
(A Wholly owned subsidiary of LM Squared Investments, LLC)
Schedule III
Information Relating to Possession or Control Requirements
Under Rule 15c3-3 of the Securities and Exchange Commission
as of December 31, 2017

The Company is claiming an exception from Rule 15c3-3 under provision 15c3-3(k)(2)(ii).

WILLOW COVE INVESTMENT GROUP, INC.
(A Wholly owned subsidiary of LM Squared Investments, LLC)
Schedule IV
Schedule of Changes in Liabilities Subordinated to Claims of Creditors
as of December 31, 2017

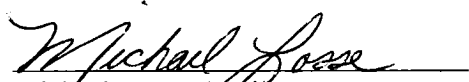
Not Applicable



**WILLOW COVE INVESTMENT GROUP, INC.
SCHEDULE V
EXEMPTION REPORT PURSUANT TO SEC RULE 17a-5
FOR THE YEAR ENDED December 31, 2017**

Willow Cove Investment Group, Inc. operates pursuant to paragraph (k) (2) (ii) of SEC Rule 15c3-3 under which the Company claims an exemption from SEC Rule 15c3-3.

The Company has met the identified exemption provisions for the year ended December 31, 2017 without exception.


Michael Losse, President



CERTIFIED PUBLIC ACCOUNTANTS

INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM'S AGREED-UPON PROCEDURES REPORT ON SCHEDULE OF ASSESSMENT AND PAYMENTS (FORM SIPC-7)

To the Board of Directors and Stockholder
Willow Cove Investment Group, Inc.

In accordance with Rule 17a-5(e)(4) under the Securities Exchange Act of 1934, we have performed the procedures enumerate below with respect to the accompanying Schedule of Assessment and Payments (Form SIPC-7) to the Securities Investor Protection Corporation (SIPC) for the year ended December 31, 2017, which were agreed to by Willow Cove Investment Group, Inc. (the "Company") and the Securities and Exchange Commission, Financial Industry Regulatory Authority Inc. (FINRA) and SIPC, solely to assist you and the other specified parties in evaluating the Company's compliance with the applicable instructions of Form SIPC-7. The Company's management is responsible for its compliance with those requirements. This agreed-upon procedures engagement was conducted in accordance with attestation standards established by the Public Company Accounting Oversight Board (United States). The sufficiency of these procedures is solely the responsibility of those parties specified in this report. Consequently, we make no representation regarding the sufficiency of the procedures described below either for the purpose for which this report has been requested or for any other purpose. The procedures we performed at our endings are as follows:

1. Compared the listed assessment payments in Form SIPC-7 with respective cash disbursement records entries, noting no differences.
2. Compared the amounts reported on the audited Form X-17A-5 for the year ended December 31, 2017, as applicable, with the amounts reported in Form SIPC-7 for the year ended December 31, 2017, noting no differences.
3. Compared any adjustments reported in Form SIPC-7 with supporting schedules and working papers, noting no differences.
4. Proved the arithmetical accuracy of the calculations reflected in Form SIPC-7 and in the related schedules and working papers supporting the adjustments, noting no differences; and
5. Compared the amount of any overpayment applied to the current assessment with the Form SIPC-7 on which it was originally computed, noting no differences.

We were not engaged to, and did not conduct an examination, the objective of which would be an expression of an opinion on compliance. Accordingly, we do not express such an opinion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

This report is intended solely for the information and use of the specified parties listed above and is not intended to be and should not be used by anyone other than these specified parties.

Anton & Chia, LLP

Newport Beach, CA
February 28, 2018



CERTIFIED PUBLIC ACCOUNTANTS

REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the Board of Directors and Stockholder
Willow Cove Investment Group, Inc.

We have reviewed management's statements, included in the accompanying Exemption Report in which (1) Willow Cove Investment Group, Inc. (the "Company") identified the following provision of 17 C.F.R 15c3-3k under which the Company claimed an exemption from 17 C.F.R 240.15c3-3: (2)(ii) the exemption provisions and (2) the Company stated that the Company met the identified exemption provisions throughout the most recent fiscal year without exception. The Company's management is responsible for compliance with the identified exemption provisions and its statements.

Our review was conducted in accordance with the standards of the Public Company Accounting Oversight Board (United States) and accordingly included inquiries and other required procedures to obtain evidence about the Company's compliance with the exemption provisions review is substantially less in scope than an examination the objective of which is the expression of an opinion on managements statements. Accordingly we do not express such an opinion.

Based on our review, we are not aware of any material modifications that should be made to managements statements referred to above for them to be fairly stated in all material respects based on the provisions set forth in paragraph (k)(2)(ii) of Rule 15c3-3 under the Securities and Exchange Act of 1934.

Anton & Chia, LLP

Newport Beach, CA
February 28, 2018

WILLOW COVE INVESTMENT GROUP, INC.

FINANCIAL STATEMENTS

For the year ended December 31, 2017

With

SEC Mail Processing

MAY 07 2018

Washington, DC

INDEPENDENT AUDITORS' REPORT THEREON

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The report is deemed **CONFIDENTIAL** in accordance with Rule 17a-5(e)(3) under the Securities Exchange Act of 1934 as a **PUBLIC DOCUMENT**.